3510-DS-P

#### **DEPARTMENT OF COMMERCE**

**International Trade Administration** 

[A-557-816]

Certain Steel Nails from Malaysia: Preliminary Results of Antidumping Duty

Administrative Review and Preliminary Determination of No Shipments; 2018-2019

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) preliminarily determines that certain steel nails from Malaysia were sold in the United States at less than normal value during the period of review (POR), July 1, 2018 through June 30, 2019. Additionally, we preliminarily find that certain companies made no shipments during the review period. Interested parties are invited to comment on these preliminary results.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Preston Cox or John Drury, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5041 or (202) 482-0195, respectively.

#### SUPPLEMENTARY INFORMATION:

## **Background**

These preliminary results of review are made in accordance with section 751 of the Tariff Act of 1930, as amended (the Act). On September 9, 2019, Commerce published the notice of initiation for the administrative review.<sup>1</sup> On November 13, 2019, Commerce selected Inmax

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<sup>&</sup>lt;sup>1</sup> See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 84 FR 47242 (September 9, 2019) (Initiation Notice).

Sdn. Bhd. and Inmax Industries Sdn. Bhd. (collectively, Inmax) and Region International Co. Ltd. and Region System Sdn. Bhd. (collectively, Region) as mandatory respondents in this administrative review.<sup>2</sup> On March 25, 2020, we extended the time limit for completion of the preliminary results of the review to no later than July 30, 2020.<sup>3</sup> On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.<sup>4</sup> On July 21, 2020, Commerce further tolled all deadlines in administrative reviews by an additional 60 days.<sup>5</sup> The deadline for the preliminary results of this review is now November 17, 2020. For a complete description of the events that followed the initiation of the review, *see* the Preliminary Decision Memorandum.<sup>6</sup>

A list of topics included in the Preliminary Decision Memorandum is included as an Appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at https://access.trade.gov. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at http://enforcement.trade.gov/frn/. The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

### Scope of the Order

The products covered by the scope of the order are certain steel nails from Malaysia. For a complete description of the scope, *see* the Preliminary Decision Memorandum.

## **Preliminary Determination of No Shipments**

<sup>2</sup> See Memorandum, "Administrative Review of Antidumping Duty Order on Certain Steel Nails from Malaysia: Respondent Selection Memorandum," dated November 13, 2019. Commerce has preliminarily determined to collapse the Inmax companies and treat them as a single entity for purposes of this review. Likewise, it has preliminarily determined to collapse the Region companies and treat them as a single entity. For a discussion of the collapsing criteria, see the company-specific analysis memorandum, dated concurrently with this notice.

<sup>&</sup>lt;sup>3</sup> See Memorandum, "Certain Steel Nails from Malaysia: Extension of Deadline for Preliminary Results for Antidumping Duty Administrative Review; 2018-2019," dated March 25, 2020.

<sup>&</sup>lt;sup>4</sup> See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19," dated April 24, 2020.

<sup>&</sup>lt;sup>5</sup> See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews," dated July 21, 2020.

<sup>&</sup>lt;sup>6</sup> See Memorandum, "Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Certain Steel Nails from Malaysia; 2018-2019," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

On October 1, 4, and 9, 2019, respectively, Astrotech Steels Private Limited (Astrotech), Trinity Steel Private Limited (Trinity), and Jinhai Hardware Co. Ltd. (Jinhai), submitted letters certifying that each company had no exports or sales of subject merchandise into the United States during the POR.<sup>7</sup> U.S. Customs and Border Protection (CBP) did not have any information to contradict these claims and, therefore, we preliminarily determine that Astrotech, Trinity, and Jinhai did not have any exports or sales of subject merchandise into the United States during the POR.<sup>8</sup> Consistent with Commerce's practice, we will not rescind the review with respect to Astrotech, Trinity, and Jinhai, but rather, will complete the review and issue instructions to CBP based on the final results.<sup>9</sup>

## Rate for Non-Examined Companies

The statute and Commerce's regulations do not address the establishment of a rate to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}."

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<sup>&</sup>lt;sup>7</sup> See Astrotech's Letter, "Certain Steel Nails from Malaysia Request for No Shipment during the Period of Review (POR)," dated October 1, 2019; Trinity's Letter, "Certain Steel Nails – Malaysia Notice of No sales during the Period of Review (POR)," dated October 4, 2019; and Jinhai's Letter, "Certain Steel Nails from Malaysia: Submission of Statement of No Shipments," dated October 9, 2019.

<sup>&</sup>lt;sup>8</sup> See Memorandum, "No shipment inquiry with respect to the companies below during the period 07/01/2018 through 06/30/2019," dated February 25, 2020.

<sup>&</sup>lt;sup>9</sup> See, e.g., Certain Frozen Warmwater Shrimp from Thailand; Preliminary Results of Antidumping Duty Administrative Review, Partial Rescission of Review, Preliminary Determination of No Shipments; 2012-2013, 79 FR 15951, 15952 (March 24, 2014), unchanged in Certain Frozen Warmwater Shrimp from Thailand: Final Results of Antidumping Duty Administrative Review, Final Determination of No Shipments, and Partial Rescission of Review; 2012–2013, 79 FR 51306 (August 28, 2014).

In this review, we have preliminarily calculated a weighted-average dumping margin for the companies not selected for individual examination using the calculated rates of the mandatory respondents, Inmax and Region, excluding any margins that are zero, *de minimis*, or determined entirely on the basis of facts available in accordance with section 735(c)(5)(A) of the Act. We preliminarily calculated a weighted-average dumping margin of 1.59 percent for Inmax and 0.00 percent for Region for the POR. Accordingly, we preliminarily assign the dumping margin of 1.59 percent, the weighted-average dumping margin calculated for Inmax, to the non-selected companies.

### Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Act. For a full description of the methodology underlying the preliminary results, *see* the Preliminary Decision Memorandum.

### Preliminary Results of Review

We are assigning the following dumping margins to the firms listed below for the period July 1, 2018 through June 30, 2019:

Producer/Exporters	Weighted-Average Dumping Margins (percent)
Inmax Sdn. Bhd. and Inmax Industries Sdn. Bhd.	1.59
Region International Co. Ltd. and Region System Sdn. Bhd.	0.00
Chia Pao Metal Co., Ltd	1.59
Come Best (Thailand) Co., Ltd.	1.59
Kerry-Apex (Thailand) Co., Ltd.	1.59
Tag Fasteners Sdn. Bhd.	1.59
Vien Group SDN. BHD.	1.59
WWL India Private Ltd.	1.59

#### Disclosure and Public Comment

Commerce will disclose to parties to the proceeding any calculations performed in connection with these preliminary results of review within five days after the date of publication of this notice. 10 Interested parties are invited to comment on these preliminary results. Interested parties may submit case briefs no later than 30 days after the date of publication of this notice. 11 Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the deadline for filing case briefs. 12 Parties who submit case or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. 13 Case and rebuttal briefs should

<sup>10</sup> See 19 CFR 351.224(b)

<sup>&</sup>lt;sup>11</sup> See 19 CFR 351.309(c)(1)(ii).

<sup>&</sup>lt;sup>12</sup> See 19 CFR 351.309(d)(1); see also Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 41363 (July 10, 2020) (*Temporary Rule*). <sup>13</sup> See 19 CFR 351.309(c)(2) and (d)(2).

be filed using ACCESS.<sup>14</sup> Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.<sup>15</sup>

Pursuant to 19 CFR 351.310(c), any interested party may request a hearing within 30 days of the publication of this notice in the *Federal Register*. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS, within 30 days after the date of publication of this notice. Requests should contain: (1) the party's name, address and telephone number; (2) the number of participants; and (3) a list of the issues parties intend to discuss. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. Unless extended, Commerce intends to issue the final results of this administrative review, which will include the results of our analysis of all issues raised in the case briefs, within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act.

#### **Assessment Rates**

Upon completion of the administrative review, Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.<sup>16</sup> The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.<sup>17</sup> We intend to issue instructions to CBP 15 days after the publication date of the final results of this review.

## Cash Deposit Requirements

<sup>&</sup>lt;sup>14</sup> See 19 CFR 351.303.

<sup>&</sup>lt;sup>15</sup> See Temporary Rule.

<sup>&</sup>lt;sup>16</sup> See 19 CFR 351.212(b).

<sup>&</sup>lt;sup>17</sup> See section 751(a)(2)(C) of the Act.

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for Inmax, Region, and the non-selected respondents listed above will be equal to the weighted-average dumping margin established in the final results of this administrative review; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or in the less-than-fair-value investigation but the producer is, then the cash deposit rate will be the rate established for the most recently completed segment of the proceeding for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 2.66 percent, the all-others rate established in the lessthan-fair-value investigation. 18 These cash deposit requirements, when imposed, shall remain in effect until further notice.

### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

#### Notification to Interested Parties

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<sup>&</sup>lt;sup>18</sup> See Certain Steel Nails from Malaysia: Amended Final Determination of Sales at Less Than Fair Value, 80 FR 34370 (June 16, 2015).

We are issuing and publishing this notice in accordance with sections 751(a)(1) and

777(i)(1) of the Act and 19 CFR 351.213(h)(1).

Dated: November 16, 2020.

Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

# Appendix

## List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Preliminary Determination of No Shipments
- V. Companies Not Selected for Individual Examination
- VI. Discussion of the Methodology
- VII. Currency Conversion
- VIII. Recommendation

[FR Doc. 2020-25815 Filed: 11/20/2020 8:45 am; Publication Date: 11/23/2020]